**Contention One is Small Companies, Big Moves**

Small Pharmaceutical companies are the present and future, as **Alsever of Fortune** finds in 2016 that small ventures are driving pharma innovation, with 64% of drugs approved in recent years coming from smaller firms. Even more so, **Drug Cost Facts** finds that small companies make up 70 percent of the industry’s future clinical pipeline. However, **Bio** finds that their success in developing new cures and therapies relies on one key factor: the ability to attract enormous amounts of private capital required to fund these incredibly risky endeavors. He furthers that this ability, in turn, depends on a public policy environment that supports innovation and incentivizes such investment. Investment is critical, as **Arnum** quantifies in 2015 that over the last decade, 78% of US venture investment for therapeutics went towards new drug Research and development or R&D for short, suggesting that innovation is a priority for venture capital.

Unfortunately, **Drug Cost Facts** continues, that the reality is that price controls scare away the private investment that is needed to fund research and to deliver new cures to patients in need**.** This is historically proven, as **Gleason of Forbes** details Europe’s experience with price controls. In the mid-80s, European drug R&D was 24% higher than in the U.S. However, After price controls, European pharmaceutical R&D grew at half the U.S. rate and today substantially trails American R&D. **Howard of the New York Times** empirically shows that price controls in the United States would powerfully reduce innovation, as cutting prices by 40 to 50 percent in the U.S. will lead to a decrease of between 30 to 60 percent of all R&D projects

**The Impact is Preventing New Treatments**

**Atlas of CNN** currently finds that the United States is four times more likely to produce a new treatment than any other country. Crucially, **Vernon** finds that government-imposed price controls would seriously harm investment in the next generation. In fact, **Hughes** explains that for every dollar decrease in prices caused by more access, future consumers would be harmed at a rate of three dollars from less innovation.

This is why **Vernon** finds that price controls would lead to 974 fewer medicines being developed and 1.5 million years of lives lost in the future. Ultimately, **The Hill** concludes that This would cost Americans more than $50,000 per person when the value of foregone health is valued and that there will be a net reduction in American life expectancy of 0.7 years, and healthcare costs would rise

**Contention Two is Global Health**

Currently, drugs are extremely cheap in developing nations. **William of Health Affairs** quantifies that on essential drugs, third world countries pay 27% of what the US pays on patented drugs, and 6% on generic drugs.

The cheaper prices across the world exist because of the US. In fact, **Martins of NIH** explains that large pharmaceutical companies are making moves to increase access and affordability in the developing world. **Boseley of the Guardian** continues that Big Pharma companies are increasing efforts to fight disease in developing countries in order to repair their reputation of being greedy and money-hungry. This system has been working as **Kremer** explains that the major cause of reduced mortality rates in the developing world has been pharmaceuticals.

A specific example is HIV medication. **Lakdawala of Brookings** notes that because of revenues that American Pharmaceutical companies generated, 20.9 million people living with HIV are accessing treatments in the poorest parts of the globe.

**However, affirming the resolution will destroy current progress**

**Investor’s Business Times** finds that American pharmaceutical companies can only afford to sell at these controlled prices in foreign countries because they can sell at true market prices here in the United States. However, **Mello of the University of Minnesota** writes that drug prices are a zero-sum game, meaning that a price decrease in one country forces price increases elsewhere. This is why **Mello** furthers that actions the US takes to restrict prices through price controls means trading off the affordability and outright donations in other countries, specifically less wealthy ones.

The developing world will be harmed as a result. **Chris Lo** e xplains that because of a lack of health insurance, the majority of medical expenses in the developing world are out-of-pocket, leaving the lower classes vulnerable to high costs. As a result, millions will suffer.

Ultimately, **Taylor of the Catalyst** concludes that the rest of the world depends on the U.S. pharmaceutical industry to keep thriving.